

“§ 54B-196. *Parity of interest rates.*—Notwithstanding any other provision of law, any savings and loan association in North Carolina may contract for interest on any loan, purchase money loan, advance, commitment for a loan or forbearance at any rate permitted by federal law to a savings and loan association the accounts of which are insured by the Federal Savings and Loan Insurance Corporation.

“§ 54B-197. *Effect of change in law or regulation.*—Any loan or investment made by a State association which was in compliance with the law or regulations in effect at the time such loan or investment was made will remain a legal loan or investment even though the power to make such loans or investments in the future is amended or revoked.

§ 54B-198 to 54B-209. *Reserved for future codification purposes.*

“ARTICLE 9.

“Liquidity Fund.

“§ 54B-210. *Components of liquidity fund.*—(a) Every State association shall at all times have on hand and unpledged, cash, investments in obligations of the United States government, or the government of the State of North Carolina, or stock in the Federal Home Loan Bank, or deposits in any mutual deposit guaranty association organized or operated pursuant to Article 12 of this Chapter, or bonds issued by the Federal Home Loan Bank, or funds on deposit in a Federal Reserve Bank or in other bank or banks as may have been approved by a majority of the entire board of directors, in an amount set by the Commission equal to at least four percent (4%) of the net withdrawal value of the association's withdrawable account, or two hundred fifty thousand dollars (\$250,000), whichever is greater, as the liquidity fund and held to assure the liquidity of such association. Such investments and funds on deposit shall be readily marketable and shall not exceed a term of five years.

“§ 54B-211. *Renewal of liquidity fund.*—If the liquidity fund falls below the amount required by the Commission, the association shall make no new real property loans until the required level has been attained. The refinancing, recasting or renewal of loans previously made and loans made as a result of foreclosure sales under instruments held by the association shall not be considered as new loans, within the meaning of this section.

§ 54B-212 to 54B-215. *Reserved for future codification purposes.*

“ARTICLE 10.

“General Reserve Account.

“§ 54B-216. *General Reserve Account.*—(a) Every State association shall establish and maintain a general reserve account for the sole purpose of covering losses. The general reserve account shall be established and maintained separately from any specific loss reserve accounts established and maintained at the election of the association or pursuant to rules and regulations prescribed by the Commission.

(b) The general reserve account shall be maintained at a level set by the Commission based on assets. In setting the level for the general reserve account, the Commission shall evaluate the risk attributable to various types of assets and shall establish percentages for each type of asset based on its level of risk. Transfers to the general reserve account shall be made at such times as the Commission shall prescribe.

(c) In the case of newly chartered mutual associations, transfers to the general reserve account shall be made as prescribed by the Commission.